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FORMER INTERIOR DEPUTY SECRETARY PLEADS GUILTY TO OBSTRUCTING U.S. SENATE INVESTIGATION INTO ABRAMOFF CORRUPTION SCANDAL

WASHINGTON – James Steven Griles, the former deputy secretary of the Department of the Interior (DOI), has pleaded guilty to obstructing the U.S. Senate’s investigation into the corruption allegations surrounding former Washington lobbyist Jack A. Abramoff, Assistant Attorney General Alice S. Fisher of the Criminal Division announced today. Griles admitted that he knowingly and willfully lied and concealed material information about the relationship that he had with Abramoff .

Griles, 59, of Falls Church, Va., entered his guilty plea this morning in the U.S. District Court for the District of Columbia, before District Judge Ellen Segal Huvelle. Under the terms of the plea agreement, Griles faces a maximum sentence of five years in prison and a \$250,000 fine. Sentencing is scheduled for June 26, 2007.

According to documents filed with the court, between July 2001 and January 2005, Griles was the second highest-ranking official within the Department of the Interior. Griles admitted to knowingly and willfully obstructing the investigation of the U.S. Senate Committee on Indian Affairs, which was looking into allegations of Abramoff’s undue influence and access at DOI. Specifically, Griles was interviewed by Senate investigators on Oct. 20, 2005, and then testified before members of the Senate committee during a Nov. 2, 2005, public hearing. The Senate committee was investigating, among other things, the level of access Abramoff had to Griles while serving as DOI deputy secretary. Griles now admits that during both his interview and his hearing testimony, he made materially false and fictitious declarations to, and withheld material information from, senators and Senate investigators in response to questions about the true nature and extent of his relationship with the person who introduced Abramoff to Griles, how and why his relationship with Abramoff developed, and the nature of Abramoff’s access to him. In short, Griles now admits that Abramoff developed instant and then continued access to him directly as well as indirectly through Person A, identified in the criminal information as someone with whom Griles had a close, personal relationship.

“Today’s conviction – the ninth stemming from the Abramoff investigation – again demonstrates the commitment of the Department of Justice to the aggressive investigation and prosecution of public corruption at all levels of government,” said Assistant Attorney General Fisher. “Our investigators and prosecutors continue to work diligently to ensure that public corruption does not erode confidence in the integrity of our government officials.”

In commenting on today’s guilty plea, the Inspector General at the Department of the Interior, Earl E. Devaney, said, “I am most proud of the willingness of the many current and former Department employees who told the truth about this top Interior official, sometimes at great risk to their own careers. I also commend the team of investigators and prosecutors from my Office, the FBI, and the Public Integrity Section of the Department of Justice who doggedly

pursued this criminal activity. I am confident that the Griles conviction will serve as a warning to other government officials that when they intentionally make false statements or otherwise engage in misconduct, they will be vigorously prosecuted.”

“The foundation of good government rests on the faith Americans take that our public officials act in our interests,” said Assistant Director Chip Burrus, FBI Criminal Investigative Division. “Steven Griles’ role in obstructing the U.S. Senate’s investigation into the corruption scandal surrounding former lobbyist Jack Abramoff is unacceptable. When a public official violates the public trust, confidence in government suffers. The FBI will continue to work with our partners to restore the confidence in government to which Americans are entitled.”

According to the factual basis for the guilty plea signed by Griles, Abramoff initially gained access to Griles through Person A. This person was also the founder of a purported tax-exempt organization for which Griles had actively assisted in raising funds before he became DOI deputy secretary. Person A introduced Abramoff to Griles in early March 2001, just before Griles was nominated to be DOI deputy secretary. Thereafter, both before and during Griles’ DOI tenure, Abramoff sought and received – directly and through Person A – Griles’ advice and intervention on various matters within the jurisdiction of DOI that directly affected Abramoff and his clients.

Court documents further reveal that, beginning soon after Person A introduced Abramoff to Griles, Abramoff and certain of his Native American tribal clients became significant donors to the purported tax-exempt organization which this person founded and operated. Ultimately, Abramoff personally and through his Native American tribal clients donated a total of \$500,000 to the person’s organization between March 2001 and May 2003.

In his guilty plea, Griles admitted that he knowingly and willfully made material false and misleading statements when he testified before the Senate Committee on Indian Affairs on Nov. 2, 2005. Specifically, he testified that “Mr. Abramoff is no different than any other lobbyist and that, “there was no special relationship for Mr. Abramoff in my office. It never did exist.” Griles admitted today that his false and misleading statements had the effect of influencing the committee’s findings. The committee concluded in a report that “given the paucity of evidence in the Committee’s possession, the Committee is unable to arrive at any definitive conclusions as to the veracity of Griles’ testimony on his relationship, and interaction, with Abramoff during all times relevant.”

This case is being prosecuted by Trial Attorneys Armando O. Bonilla and Kartik K. Raman of the Public Integrity Section, which is headed by Chief William M. Welch, II, with assistance from the Fraud Section. The case is being investigated by a task force of federal agents including special agents of the DOI Office of the Inspector General and the Federal Bureau of Investigation.

Abramoff is currently serving a 70-month prison sentence for his guilty plea on conspiracy and fraud charges brought in Miami. Abramoff has also pleaded guilty to corruption, fraud, conspiracy and tax charges in the District of Columbia. The Justice Department’s Abramoff investigation has netted a total of nine convictions thus far, including that of former Rep. Robert W. Ney on conspiracy and false statement charges.

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